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FEDERAL MARITIME COMMISSION

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 **ORIGINAL**

**OCEANIC BRIDGE INTERNATIONAL, INC.
POSSIBLE VIOLATIONS OF SECTIONS 10(a)(1)
OF THE SHIPPING ACT OF 1984**

Federal Maritime Commission
Office of the Secretary

**BUREAU OF ENFORCEMENT
MOTION FOR DECISION ON DEFAULT**

Pursuant to Rule 63(c)(4)(ii) of the Federal Maritime Commission (Commission or FMC) Rules of Practice and Procedure, 46 C.F.R. §502.63(c)(4)(ii), the Bureau of Enforcement (BOE) files this Motion For Decision On Default. BOE requests the Administrative Law Judge (ALJ) to enter judgment against Oceanic Bridge International, Inc. (Oceanic Bridge or Respondent) on the basis of violations of the Shipping Act of 1984 (Shipping Act) and assess civil penalties as set forth herein.

In support hereof, BOE submits the attached verified statements of Nash D. Asandas (VS Asandas) and Michael F. Carley (VS Carley), and a copy of BOE's First Requests For Admission Directed To Oceanic Bridge International, Inc., including Exhibit Nos. 1 - 50 (RFA), served upon Respondent on March 14, 2014. BOE also submits a proposed Order, in conformance with the ALJ's Order of April 22, 2014.

I. PROCEDURAL BACKGROUND

This proceeding was instituted by Order of Investigation and Hearing (Commission Order), served February 21, 2014, to determine whether Respondent violated section 10(a)(1) of the Shipping Act, 46 U.S.C. §41102(a), by knowingly and willfully obtaining or attempting to obtain transportation at less than the rates and charges otherwise applicable; whether, in the event such violations are found, civil penalties should be assessed against Respondent and, if so, the amount of civil penalties to be assessed. BOE was made a party to the proceeding.

Commission records indicate that the Commission's Order was served via United Parcel Service (UPS), which delivered it to Oceanic Bridge on February 24, 2014. See also BOE RFA ¶¶43, 44, 45. Oceanic Bridge was thereupon obligated to file with the Commission and serve upon BOE a verified answer to the allegations set forth in the Commission Order on or before March 25, 2014.

The presiding ALJ issued an Initial Order requiring the parties to submit a joint status report with a proposed schedule regarding discovery within 20 days of the service of Respondent's answer. On March 14, 2014, BOE initiated discovery by serving Requests for Admission¹ upon Respondent requiring responses within 30 days of service, i.e., April 14, 2014. On April 18, 2014, BOE filed a status report in lieu of a joint status report stating that: (1) the Commission's records indicate that Respondent had not filed an answer or entered an appearance; (2) no answer or entry of appearance had been received by BOE; and (3) no discovery responses had been received by BOE.

On April 22, 2014, the ALJ issued a Notice of Default and Order to Show Cause requiring Respondent to file, by May 13, 2014, an answer to the Commission Order and to show

¹ The RFAs are appended hereto as Appendix 1, and with its attached Exhibit Nos. 1 – 50, are hereby filed as part of the record in this proceeding. See 46 C.F.R. §502.2(k) and 46 C.F.R. §502.207.

cause why an initial decision on default should not be entered against Respondent. Oceanic Bridge has not filed an answer or responded to the ALJ's show cause order. BOE now files this Motion For Decision On Default, as supplemented by evidence filed herewith. BOE's motion includes an analysis of the available evidence, the legal factors relevant to finding violations herein, the specific penalties requested and the basis therefore, and a proposed Order.

II. STANDARD FOR DECISION

The procedural posture of this case is nearly identical to that in Docket No. 13-01, *United Logistics (LAX), Inc. – Possible Violations*, (ALJ, slip opinion served Nov. 26, 2013), *aff'd*. 33 S.R.R. 196 (FMC 2014). In that enforcement case, respondent failed to appear or to submit an answer, did not respond to discovery, and did not comply with the ALJ's order to show cause. BOE presented its case by Motion For Summary Judgment accompanied by supporting evidence. The ALJ's initial decision acknowledged that the case could be decided either under the standards applicable to BOE's motion for summary judgment or under the Commission's recently adopted rules for decisions on default, 46 C.F.R. §502.65. Slip op., 3-4. The ALJ elected to resolve the proceeding under the default rules, a choice which the Commission endorsed. 33 S.R.R. at 198.

In view of the procedure approved in *United Logistics*, BOE submits this motion for decision on default, as supplemented by the Verified Statements of Commission Area Representative Nash Asandas and Director of Field Investigations Michael Carley. BOE also submits its RFAs which were served upon Respondent, and are deemed admitted and the facts conclusively established under Rule 207(b), 46 C.F.R. §502.207(b). See also, Federal Rule of Civil Procedure 36(a), and case precedent as to admissions in *OC International Freight, Inc., et*

al, 32 S.R.R. 1783, 1790-1 (FMC 2013). In view of Respondent's default, the ALJ may accept as true the well-pleaded allegations in the Commission Order pursuant to Rules 63 and 65 of the Commission's Rules of Practice and Procedure. *United Logistics*, 33 S.R.R. at 198. The appended verified statements, the admitted facts conclusively established under BOE's requests for admission, and the well-pled allegations set forth in the Commission's Order provide a compelling and uncontroverted evidentiary record that addresses the issues stated in the Commission Order. BOE submits that a preponderance of the evidence supports entry of judgment against Respondent as set forth in the Proposed Order attached hereto.

III. PRELIMINARY MATTER

The violations giving rise to this proceeding are based on BOE's allegations that Respondent unlawfully accessed Maersk Line (Maersk) service contracts to which it was not a party on at least 49 shipments identified in the Commission Order. As explained in the Verified Statements, the shipment documents identify two Maersk service contracts that Respondent accessed during the period of violations, *viz.*, nos. 460860 and 518178.

Due to an unintended oversight, several of the allegations in the Commission Order and the RFAs identify all 49 shipments as involving access to contract no. 460860, whereas 4 of the 49 shipments reflect improper access to a subsequent contract, no. 518178, between the same parties. The documents underlying the 4 shipments are contained in Exhibits 47 – 50.

To avoid creating any confusion in the evidentiary record, BOE does not rely upon the allegations in the Commission Order or corresponding RFAs² to the extent they address the

² The allegations appear in the Commission Order at numbered paragraphs 9, 13, 14, 17, and 20 and in the RFAs at 15, 21, 22, 28, 33, and 34. To the extent these statements include Exhibit Nos. 2 – 46, the facts may be taken as true.

shipments in Exhibits 47 – 50. Rather, BOE relies on the shipping documents themselves as obtained from Respondent and the testimony of Commission AR Asandas and DFI Carley as evidence establishing that Respondent unlawfully accessed contract no. 518178 for those shipments reflected in Exhibits 47 – 50.

IV. OCEANIC BRIDGE VIOLATED SECTION 10(a)(1) OF THE SHIPPING ACT

Section 10(a)(1) of the Shipping Act prohibits a person from knowingly and willfully, directly or indirectly, by any unjust or unfair device or means obtaining or attempting to obtain ocean transportation for property at less than the rates or charges that would otherwise be applicable. A person violates section 10(a)(1) by unlawfully accessing a service contract to which it is not a signatory or a named affiliate. *United Logistics, supra; Green Master International Freight Services Ltd. – Possible Violations*, 29 S.R.R. 1303, 1313 (FMC 2003).

The uncontested facts of record establish that Oceanic Bridge was a licensed NVOCC between May 1, 1999, and March 26, 2013.³ (VS Asandas ¶4, RFA ¶1, 2). Oceanic Bridge maintained a NVOCC bond in the amount of \$75,000 which was in effect during the period involved in this proceeding. (VS Asandas ¶10, 11; RFA ¶5, 6, 7). During this same time period, Respondent electronically published a tariff holding out its NVOCC services. (VS Asandas ¶9; RFA ¶3, 4). Respondent was dissolved as a California corporation on December 24, 2012. (VS Asandas ¶7, RFA ¶37). Nonetheless, the transportation giving rise to this proceeding occurred prior to Respondent's dissolution.⁴ (RFA ¶38).

³ On March 26, 2013, Oceanic Bridge surrendered its OTI license.

⁴ Under California law, a dissolved corporation continues to exist for the purpose of prosecuting and defending actions by or against it. Causes of action, whether arising before or after dissolution, may be enforced against such corporation to the extent of its undistributed assets including assets such as insurance that may be available to satisfy claims. Cal. Corp. Code §§2010(a), 2011(a) and (b).

Oceanic Bridge held out through its website to provide NVOCC services through a dedicated network of agents located in China and the United States. (VS Asandas ¶16, RFA ¶8). Between December 1, 2010, and May 31, 2011, Respondent's network of agents in the People's Republic of China (PRC) operated under the name Dalian Oceanic Bridge International Forwarding Co. Ltd. (VS Asandas ¶16, RFA ¶9). Oceanic Bridge provided services as a licensed, bonded, and tariffed NVOCC for the 49 shipments identified in Attachment A to the Commission Order. (RFA ¶12, 14). True copies of the shipment documents for the 49 shipments are submitted herewith as Exhibits 2 – 50 to the RFAs, appended hereto. (VS Asandas ¶14, RFA ¶13).

At various times between December 1, 2010 and May 31, 2011, Oceanic Bridge obtained transportation with respect to the 45 shipments reflected in RFA Exhibits 2 – 46, at rates contained in service contract no. 460860 between Maersk and Dalian Haiqiao Enterprises Co. Ltd. (Dalian Haiqiao), a beneficial cargo owner.⁵ (VS Asandas ¶18, 20, RFA ¶15, 17, 28). Neither Oceanic Bridge nor its agents were named in the contract. (VS Asandas ¶22, RFA ¶19). Each Maersk master bill of lading identifies Dalian Haiqiao as the shipper and Respondent as the consignee. (VS Asandas ¶18).

The corresponding NVOCC house bill of lading for each Maersk shipment contained in RFA Exhibits 2 – 46 was issued by or on behalf of Oceanic Bridge. (VS Asandas ¶23). No underlying shipping document for the shipments reflected in RFA Exhibits 2 – 46 was issued by or on behalf of Dalian Haiqiao, nor does any document underlying Maersk's master bills indicate that the cargo transported was owned by the shipper signatory to the contract. (VS Asandas ¶24;

⁵ Due to the confidentiality of service contracts, 46 U.S.C. § 40502(b) and 46 C.F.R. §530.4, and the impracticality of redacting those confidential provisions from a service contract submitted as a public version, BOE has not filed copies of the contracts referenced herein. The contracts are available for review in the SERVCON database and may be received in evidence by reference pursuant to 46 C.F.R. §502.161.

RFA ¶25). All of the underlying NVOCC documentation in RFA Exhibits 2 – 46 demonstrates that the cargo shipped constitutes the NVOCC cargo of Oceanic Bridge and its shipper customers, rather than the lawful contract signatory. (VS Asandas ¶25; RFA ¶25, 26). Nonetheless, the shipments represented in RFA Exhibits 2 – 46 were transported on a freight collect basis and Maersk’s freight charges were paid on behalf of Oceanic Bridge as the consignee designated on each bill. (VS Asandas ¶30, RFA ¶27-29).

By accessing the service contract of Dalian Haiqiao, Oceanic Bridge obtained from Maersk rates that were less than would be otherwise applicable. Oceanic Bridge, in its capacity as a NVOCC, executed and maintained two service contracts with Maersk that contained applicable rates and charges for the 49 shipments subject to this proceeding. (VS Asandas ¶43). With respect to the shipments in RFA Exhibits 2 – 45, applicable rates and charges were available to Oceanic Bridge under Maersk service contract 429377, effective May 1, 2010. (VS Carley ¶7; RFA ¶31).⁶ Application of that contract to the subject shipments produces higher charges than those obtained by Oceanic Bridge through the means of accessing Maersk service contract No. 460860. (VS Carley ¶8, 9, 10).

With respect to the 4 shipments reflected in RFA Exhibits 47 - 50, Oceanic Bridge obtained transportation at rates contained in service contract no. 518178, also between Maersk and Dalian Haiqiao as beneficial cargo owner. (VS Asandas ¶32, 35). Neither Oceanic Bridge nor its agents were named in the contract. (VS Asandas ¶36). Each Maersk master bill of lading identifies Dalian Haiqiao as the shipper and Respondent as the consignee. (VS Asandas ¶32). The underlying house bill of lading for each Maersk shipment contained in RFA Exhibits 47 - 50

⁶ Only shipments in RFA Exhibits 2 – 45 are subject to the rates in contract no. 429377, signed by Oceanic Bridge, which Maersk service contract expired April 30, 2011. Shipments in RFA Exhibits 46 – 50 recite on-board dates subsequent to May 5, 2011, the effective date of contract no. 518197 between Maersk and Oceanic Bridge. (See VS Carley ¶7).

was issued by or on behalf of Oceanic Bridge to an NVOCC customer. (VS Asandas ¶37). No underlying shipping document for the shipments reflected in RFA Exhibits 47 - 50 was issued by or on behalf of Dalian Haiqiao, nor does any document underlying Maersk's master bills indicate that the cargo transported was owned by the shipper signatory to the contract. (VS Asandas ¶38). All of the underlying NVOCC documentation in RFA Exhibits 47 – 50 demonstrates that the cargo shipped constitutes the cargo of Oceanic Bridge and its shipper customers, rather than the lawful contract signatory. (VS Asandas ¶39). Nonetheless, the shipments represented in Exhibits 47 - 50 were transported on a freight collect basis and Maersk's freight charges were paid on behalf of Oceanic Bridge as the consignee designated on each bill. (VS Asandas ¶40).

By accessing this latter service contract of Dalian Haiqiao, Oceanic Bridge obtained from Maersk rates that were less than would be otherwise applicable. Oceanic Bridge, in its capacity as a NVOCC, executed a second service contract with Maersk that contained applicable rates and charges for the 5 later shipments that are the subject of this proceeding. (VS Asandas ¶43). With respect to the shipments in Exhibits 46 – 50, applicable rates and charges were available to Oceanic Bridge under Maersk service contract 518197, effective May 5, 2011. (VS Carley ¶7).⁷ Application of Oceanic Bridge's own contract to the subject shipments produces higher charges than those obtained through the means of accessing Maersk service contract No. 518178. (VS Carley ¶8, 9, 10).

In carrying out this scheme, Oceanic Bridge acted knowingly and willfully in violation of section 10(a)(1). The shipping documents and Respondent's own admissions establish that it knew or had reason to know that Dalian Haiqiao did not own the cargo transported by Maersk nor did Dalian Haiqiao have any interest in the shipments. (RFA ¶23). Respondent knew or had

⁷ The May 7, 2011 shipment in Exhibit No. 46 is included in the group of 45 shipments involving access to contract 460860, but by virtue of its date is in the group of 5 shipments subject to the rates in Maersk service contract 518197.

reason to know that the shipments tendered to Maersk constituted the NVOCC cargo of Respondent's own customers. (RFA ¶26). The representations to Maersk that Dalian Haiqiao was the shipper on the subject shipments and entitled to Dalian Haiqiao's contract rates were plainly false. (RFA ¶20, 21, 23). The application of the Maersk/Dalian Haiqiao contracts to the subject shipments resulted in rates and charges less than those that would be otherwise applicable, and conveyed a direct financial benefit to Respondent. (VS Carley ¶8).

Since the issuance of its license, Respondent was aware of the requirements of the Shipping Act and knew that accessing a service contract to which it was not a signatory constituted a violation of the statute. (RFA ¶35, 36). The evidence establishes that Oceanic Bridge acted knowingly and willfully, a phrase which has been explained to mean "purposely or obstinately and is designed to describe the attitude of a carrier, who having a free will or choice, either intentionally disregards the statute or is plainly indifferent to its requirements." *Trans-Ocean Pacific Forwarding, Inc. – Possible Violations*, 27 S.R.R. 409, 412 (ALJ 1995). In *Pacific Champion Express Co. Ltd. – Possible Violations*, 28 S.R.R. 1397, 1403 (FMC 2000), the Commission elaborated as follows:

In determining whether a person has violated the 1984 Act "knowingly and willfully", the evidence must show that the person has knowledge of the facts of the violation and intentionally violates or acts with reckless disregard or plain indifference to the 1984 Act.

Respondent knew the requirements of law, yet acted with plain indifference to those requirements. BOE respectfully submits that, based on the uncontroverted record, all of the substantive elements for a violation of section 10(a)(1) have been met.

IV. A SUBSTANTIAL CIVIL PENALTY SHOULD BE IMPOSED

A person is subject to a civil penalty of not more than \$40,000 for each violation knowingly and willfully committed during the time period in which the subject shipments were transported. 46 U.S.C. § 41107(a).⁸ In assessing a civil penalty, the Commission is required to take into account the nature, circumstances, extent and gravity of a violation, and with respect to the violator, the degree of culpability, history of prior offenses, ability to pay, and such other matters as justice may require. Section 13(c) of the Shipping Act, 46 U.S.C. § 41109. The Commission's regulations add to these factors the policies for deterrence and future compliance with the Commission's rules and regulations and the applicable statutes. 46 C.F.R. §502.603(b).

In taking the foregoing into account, the Commission must make specific findings with regard to each statutory penalty factor, but may use its discretion to determine how much weight to place on each factor. *Merritt v. United States*, 960 F.2d 15, 17 (2nd Cir. 1992). When a violation is found, the question before the ALJ is not whether to assess a civil penalty, but rather, the amount of penalty to assess. *Eurousa Shipping, Inc., et al. – Possible Violations*, 32 S.R.R. 578, 584 (FMC 2012), citing *Stallion Cargo, Inc. – Possible Violations*, 29 S.R.R. 665 (FMC 2001).

In the absence of a fixed mathematical formula, there is no right answer to the question of the amount of civil penalty that may be justified with respect to a particular respondent. As one ALJ has explained, “the fixing of a particular amount of civil penalty is a most difficult thing to do. The Commission must consider and weigh numerous factors set forth in section 13(a) of the 1984 Act and then quantify them into a precise number. The process is not scientifically accurate and involves judgment that is subject to criticism and second guessing . . .

⁸ This amount reflects an adjustment for inflation pursuant to the Commission's regulations at 46 C.F.R. Part 506 applicable to shipments that occurred after July 31, 2009.

Nevertheless, the finding is committed to the sound discretion of the agency and must be made.” *Alex Parsinia dba Pacific International Shipping and Cargo Express*, 27 S.R.R. 1335, 1340 (ALJ 1997).

Consideration of the factors enumerated in Section 13(c) of the Shipping Act warrants assessment of a substantial civil penalty against Oceanic Bridge. As a substantive element of section 10(a)(1), the uncontested facts establish that the violations were knowing and willful. They occurred regularly and frequently over the short period of time covered by the investigation, involved improper access to at least 2 different contracts over this period, and the 49 shipments appear to be representative of a larger universe of similar shipments. (VS Asandas ¶46).

The nature of the violations likewise compels a substantial penalty. Unlawful access to a service contract undermines the regulatory purpose and structure that Congress envisioned in authorizing the use of service contracts. Service contracts are intended solely for the benefit of the parties who negotiated and executed the contract on the basis of such negotiations including adding any lawful affiliates. Rather than utilizing its own service contract with Maersk, Respondent opted to obtain rate reductions by accessing another party’s contract in deliberate and repeated disregard of the Shipping Act. By accessing these contracts, Oceanic Bridge not only trespassed on the competitive advantage gained by the lawful signatory, Dalian Haiqiao, but exposed the latter shipper to liability for payment of Maersk’s freight charges, deprived Maersk of higher revenues to which it was entitled under those contracts with Oceanic Bridge and applicable to Respondent’s NVOCC cargoes, and unnecessarily subjected Respondent’s own customers to the risk that their cargo could be seized, detained for inspection, subjected to

inspection fees, demurrage, increased freight costs, penalties, or other charges. (RFA ¶¶39, 40, 41). The nature of these violations is therefore serious.

Respondent bears a high degree of culpability for its actions. It was aware of the requirements of the Shipping Act and knew that accessing a service contract to which it was not a party constituted a violation. (RFA ¶¶21, 35, 36). As the consignee and delivery agent at destination, it possessed shipment documents clearly indicating that the shipments were tendered to Maersk and rated under contracts that were limited to a beneficial cargo owner not involved in any manner with these shipments. To the extent that Respondent's agents engaged in misrepresentations to the ocean carrier, Oceanic Bridge, as the licensed NVOCC, remains strictly responsible for the acts and omissions of its agents. 46 C.F.R. §515.4(b)(2).

Although Respondent has not previously been the subject of a formal enforcement proceeding, it was the subject of a 1999 enforcement action based on the misuse of a service contract in misdescribing commodities tendered to the ocean carrier. That matter was resolved through the Commission's informal compromise procedures upon payment of a civil penalty. (VS Asandas ¶47).

With respect to ability to pay, Respondent is dissolved as a California corporation and no longer entitled to operate in that state. (VS Asandas ¶7). However, the state of California continues to recognize the existence of a dissolved corporation for purposes of winding up its affairs, defending actions against it, enabling it to discharge its obligations.⁹ See Cal. Corp. Code §2010(a), *supra*. To these ends, California expressly authorizes enforcement of an action against a dissolved corporation by resort to any available assets. *Id.*, §2011(a)(1)(A). Respondent's \$75,000 NVOCC bond was in effect during the period of violations and is

⁹ In fact, despite its earlier dissolution as a corporation, Respondent authorized an individual informally to represent its interests in communicating with BOE in an effort to settle this case.

available to pay, among other things, any penalty assessed pursuant to Section 13 of the Shipping Act, up to the face amount of the bond. 46 U.S.C. § 40902.

Ability to pay, however, is but one of the several statutory factors and must be considered in the context of other factors. In *Stallion Cargo, supra*, 29 S.R.R. at 682, n. 41, the Commission put this factor in perspective:

Respondent may very well be unable to pay the penalty imposed by the Commission, but the other factors present – the severity of the violations, Respondent’s continued disregard of the statutory requirements even after the initiation of a formal investigation, and the need to further the Congressional purpose to deter violations by imposing greater civil penalties – militate, on balance, that a substantial, though not the maximum, penalty be imposed.

The Commission’s policies for deterrence and future compliance with the Shipping Act and its regulations are important factors that must be considered contemporaneously with the other factors in determining the appropriate amount of civil penalties. 46 C.F.R. §502.603(b). Regardless of Respondent’s current status, a significant penalty will send a message to the shipping industry that violations of the nature and extent involved here will not be tolerated and that enforcement action will be pursued vigorously. See also, *Refrigerated Container Carriers Pty. Ltd. – Possible Violations*, 28 S.R.R. 799, 805 (ALJ 1999), “[s]hould the Commission fail to exercise its discretion to assess meaningful penalties, including the maximum allowed by law when there are few or no mitigating factors, on account of limited ability to obtain evidence on one of the factors set forth in section 13(c) of the Act, the message would go out to the regulated industry that it need not cooperate with BOE in the pre-docketed ‘compromise’ discussions because no significant civil penalty would likely result if the matter moved into formal Commission proceedings and respondents decided to boycott the formal proceedings.”

The penalty provisions of the Shipping Act, 46 U.S.C. § 41107(a), provide a two-level structure establishing maximum penalties – one level for violations not shown to be knowing and willful and a substantially enhanced level of 5 times that amount for knowing and willful violations. This five-to-one ratio evinces a stern Congressional intent to elevate the deterrent effects of those civil penalties assessed for the most serious violations. *Martyn Merritt, AMG Services*, 26 S.R.R. 663, 664-5 (1992). The Commission has recently acknowledged that while there is no minimum penalty amount for violations found to be knowing and willful, it has generally assessed penalties for knowing and willful violations that exceed the maximum for violations that are not knowing and willful. *Anderson International Transport, et al. – Possible Violations*, 32 S.R.R. 1678, 1693 (FMC 2013). (assessing a penalty of \$6,000 per knowing and willful violation), and cases cited therein.

In *United Logistics, supra*, the Commission affirmed the ALJ's assessment of a penalty of \$25,000 for each of 108 knowing and willful violations resulting in a total penalty of \$2.7 million against the defaulting respondent. Many of the same factors considered by the ALJ there are present here. Respondent knowingly and willfully accessed two contracts on numerous shipments over a relatively short period of time in order to obtain lower transportation charges than would otherwise be applicable. The number of shipments in evidence appear to be representative of a much larger number of shipments involving the same fact patterns. Respondent's unlawful conduct in accessing these contracts is aggravated here by the fact that it maintained its own contracts with Maersk that applied to the subject shipments, yet it sought to further reduce its transportation charges.

Considering all of the above factors, BOE submits that a civil penalty of \$8,001 for each of the 49 violations, rounded to \$392,000, should be assessed against Respondent. A civil

penalty of \$8,001 per violation is at the lowest end of the spectrum for knowing and willful violations under the two-level structure in section 13 of the Shipping Act. Thus, imposition of this amount appropriately reflects the knowing and willful element of Respondent's violations of section 10(a)(1), serves to address the deterrent purposes of a civil penalty, and takes into consideration Respondent's present status.

V. CONCLUSION.

BOE respectfully requests the ALJ to: (1) enter judgment in the instant action, finding that Respondent violated section 10(a)(1) of the Shipping Act on at least 49 occasions as demonstrated herein; and (2) assess a civil penalty no less than \$392,000 for 49 knowing and willful violations. A proposed Order is appended hereto.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Bureau of Enforcement Motion For Decision On Default was served upon Oceanic Bridge International, Inc., 18725 E. Gale Ave., #233, City of Industry, CA 91748, by first class mail with postage prepaid, this 13th day of June, 2014.



Brian L. Troiano

PROPOSED ORDER

Upon consideration of the Bureau of Enforcement's Motion For Decision On Default, the record herein, the conclusion that Respondent Oceanic Bridge violated section 10(a)(1) of the Shipping Act, 46 U.S.C. § 41102(a), and for the reasons stated above, it is hereby

ORDERED that the Motion For Decision On Default be **GRANTED**. An Initial Decision on Default is entered against Oceanic Bridge finding it to have violated section 10(a)(1) of the Shipping Act. And it is

FURTHER ORDERED that Oceanic Bridge be ordered to pay civil penalties in the amount of \$392,000.

Clay G. Guthridge
Administrative Law Judge

FEDERAL MARITIME COMMISSION

DOCKET NO. 14 - 02

**OCEANIC BRIDGE INTERNATIONAL, INC. –
POSSIBLE VIOLATIONS OF SECTIONS 10(a)(1)
OF THE SHIPPING ACT OF 1984**

**VERIFIED STATEMENT OF
NASH D. ASANDAS**

1. My name is Nash D. Asandas. I am an Assistant Area Representative for the Federal Maritime Commission (Commission) working under the direct supervision of Los Angeles Area Representative (LA AR) Oliver E. Clark. I have been employed by the Commission in this capacity since September 12, 2010. I have been actively involved in the shipping industry since 1998, first as a sales manager for a licensed NVOCC and ocean freight forwarder, and subsequently from 2004 to 2010 as the owner, operator and Qualifying Individual (QI) of my own company licensed by the Commission as a NVOCC.
2. As an Assistant Area Representative, my duties and responsibilities include investigating potential violations of the shipping statutes and the Commission's regulations. In the course of performing an investigation, my activities may include on-site visits to premises, searching and researching internet sites and commercial and Commission databases, collecting and analyzing documentary evidence, interviewing individuals, and collaborating with attorneys in the Commission's Bureau of Enforcement (BOE) in determining the existence of violations and assisting in the prosecution of violations.
3. LA AR Clark and I conducted the investigation of Oceanic Bridge International, Inc. (Oceanic Bridge or Respondent). I therefore have personal knowledge of the facts and proceedings with respect to this investigation and could and would testify to the facts stated herein in any oral hearing in this matter.
4. Oceanic Bridge (Org. No. 013355) was a licensed ocean transportation intermediary (OTI) authorized to operate as a non-vessel-operating common carrier (NVOCC) from May 1, 1999 to March 26, 2013..
5. Commission records reflect the business address of Oceanic Bridge as 18725 East Gale Ave., Suite 233, City of Industry, CA 91748.

6. The Commission's Regulated Persons Index (RPI) identifies Mr. Tong Tang as Oceanic Bridge's sole owner, President, and Qualifying Individual.
7. Prior to the surrender of its license, the records of the California Secretary of State indicate that Oceanic Bridge was dissolved as a California corporation on December 24, 2012, upon its filing of a certificate of dissolution.
8. Respondent surrendered its OTI license effective March 26, 2013, more than three months after the company was dissolved.
9. Respondent cancelled its NVOCC tariff April 25, 2013, more than 4 months after the company was dissolved.
10. While licensed, Respondent maintained a NVOCC bond, no. 50511, in the amount of \$75,000 with Great American Alliance Insurance Company, Cincinnati, OH.
11. Respondent cancelled its OTI bond effective September 21, 2013.
12. The investigation of Oceanic Bridge was commenced following a NVOCC audit in 2011 indicating that Respondent may have accessed one or more service contracts to which it was not a party.
13. I visited Respondent's offices at the address noted above on January 9, 2012. I interviewed its Manager and presented a list of 217 shipments identified in BOE's audit that were believed to have been transported under Maersk service contracts with Dalian Haiqiao Enterprises Co. Ltd., a beneficial cargo owner located in Ningbo, China. I requested Respondent to provide 50 files for shipments contained in the list of shipments.
14. On February 6, 2012, Oceanic Bridge's Manager furnished the shipment files as requested, containing copies of shipping documents issued for each shipment. These documents were submitted to Commission headquarters with our enforcement report. True copies of the documents contained in 49 shipment files provided by Respondent are appended as Exhibits 2 – 50 to BOE's Requests for Admission Directed to Oceanic Bridge (RFA) being filed in this proceeding. Exhibit 1 to the RFA is a listing of the shipments identified by bill of lading number. I hereby incorporate Exhibit Nos. 1 – 50 to the RFA into my statement by reference. The pages in Exhibit Nos. 1 – 50 are paginated in the lower right corner with the designation "BOE" followed by sequential numbering 0001 through 0369. My reference to a particular page or pages in the attached exhibits will be stated as "BOE ____".
15. I reviewed and analyzed the documents contained in the Exhibits 2-50 during the course of the investigation and am familiar with the documents and their contents.
16. Based on information provided by Respondent, the shipments involved in this proceeding originated with Dalian Oceanic Bridge International Forwarding Co. Ltd. Upon information and belief, Dalian Oceanic Bridge International Forwarding Co. Ltd.

served as Respondent's origin agents at various locations in the PRC.

17. Each shipment file provided by Respondent includes a copy of the master bill of lading issued by Maersk (see, e.g., RFA Exh. 2, BOE 0007) and a rated copy of the Maersk arrival notice/freight invoice (see, e.g., RFA Exh. 2, BOE 0005) corresponding to the master bill.
18. Each master bill in RFA Exhibits 2 – 46 references Maersk service contract no. 460860 and identifies the shipper as Dalian Haiqiao Enterprises Co., Ltd. and the consignee as Respondent Oceanic Bridge. (see, e.g., RFA Exh. 2, BOE 0007).
19. Maersk service contract no. 460860 was filed with the Commission and appears in the SERVCON database.
20. The ocean freight charges assessed by Maersk as reflected on the Maersk arrival notice/invoices for the shipments identified in RFA Exhibits 2 – 46 coincided with the rates in service contract no. 460860.
21. Maersk service contract no. 460860 identifies the shipper signatory as Dalian Haiqiao Enterprises Co., Ltd., which certified its status as the owner of the cargo.
22. Neither Oceanic Bridge nor its agents in the PRC were named as signatories or affiliates in Maersk service contract no. 460860.
23. For each shipment in RFA Exhibits 2 – 46, a house (NVOCC) bill of lading was issued by or on behalf of Oceanic Bridge (see, e.g., RFA Exh. 2, BOE 0010) which corresponds to the master bill of lading for the same shipment.
24. No document in RFA Exhibits 2 – 46 was issued by or on behalf of Dalian Haiqiao Enterprises Co., Ltd., nor does any document in those exhibits indicate that the cargo transported under Maersk service contract no. 460860 was owned by the service contract signatory.
25. All of the underlying NVOCC documentation in RFA Exhibits 2 – 46 demonstrates that the shipped cargo constitutes the NVOCC cargo of Oceanic Bridge and its shipper customers.
26. Our investigation also revealed the participation of another NVOCC in these shipments. In each shipment represented in RFA Exhibits 2 – 46, an arrival notice/freight invoice was issued by OBI Shipping, Inc. (OBI), (see, e.g., RFA Exh. 2, BOE 0009), located at the identical address, and holding out the same phone number as Respondent Oceanic Bridge.
27. The Commission's RPI indicates that OBI is a licensed OTI operating as a NVOCC (Org. No. 021117) at the same address and phone number as Oceanic Bridge.

28. According to records of the California Secretary of State, the companies were separately incorporated legal entities.
29. Commission records reflect that each company maintained separate bonds and tariffs.
30. Each shipment file represented in RFA Exhibits 2 – 46 includes a copy of a check issued by OBI (see, e.g., RFA Exh. 2, BOE 0006) to Maersk in payment of the charges billed as collect to Oceanic Bridge. Each check references the Maersk bill of lading number and the accompanying notation references the Oceanic Bridge house bill of lading number.
31. OBI was the subject of separate enforcement action for civil penalties for its role in the shipments at issue here. OBI resolved BOE's claim for civil penalties by entering into a compromise agreement under the provisions of 46 C.F.R. Part 502, Subpart W. See Commission Press Release 14-03, issued Mar. 12, 2014.
32. Each master bill in RFA Exhibits 47 – 50 (see, e.g., RFA Exh. 47, BOE 0345) references Maersk service contract no. 518178 and identifies the shipper as Dalian Haiqiao Enterprises Co., Ltd. and the consignee as Respondent Oceanic Bridge.
33. Our investigation determined that the ocean freight charges assessed by Maersk as reflected on its rated arrival notice/invoices for the shipments identified in RFA Exhibits 47 – 50 coincided with the rates in service contract no. 518178.
34. Maersk service contract no. 518178 was filed with the Commission and appears in the SERVCON database.
35. Maersk service contract no. 518178, effective May 4, 2011, like contract no. 460860, identifies the shipper signatory as Dalian Haiqiao Enterprises Co., Ltd., which certified its status as the owner of the cargo.
36. Neither Oceanic Bridge nor its agents in the PRC were named in Maersk contract no. 518178.
37. For each shipment in RFA Exhibits 47 – 50, a house (NVOCC) bill of lading was issued by or on behalf of Oceanic Bridge (see, e.g., RFA Exh. 47, BOE 0349) which corresponds to the master bill of lading for the same shipment.
38. No document in RFA Exhibits 47 – 50 was issued by or on behalf of Dalian Haiqiao Enterprises Co., Ltd., nor does any document indicate that the cargo transported under Maersk service contract no. 518178 was owned by the service contract signatory.
39. All of the underlying NVOCC documentation in RFA Exhibits 47 – 50 demonstrates that the shipped cargo constitutes the NVOCC cargo of Oceanic Bridge and its shipper customers.

40. Each shipment file represented in RFA Exhibits 47 – 50 includes a copy of a check issued by OBI to Maersk in payment of the charges billed as collect to Oceanic Bridge (see, e.g., RFA Exh. 47, BOE 0344). Each check references the Maersk bill of lading number and the accompanying notation references the corresponding Oceanic Bridge house bill of lading number.
41. Based upon the shipment documents and our interviews with Respondent's personnel, I conclude that Oceanic Bridge and/or agents acting on its behalf misrepresented to Maersk that the shipper signatory to the service contracts would be the shipper on the shipments represented in RFA Exhibits 2 – 50, and entitled to obtain ocean transportation from Maersk at the rates and charges provided in those contracts.
42. Based upon the shipment documents and our interviews with Respondent's personnel, I conclude that Oceanic Bridge and/or agents acting on its behalf obtained ocean transportation on behalf of Oceanic Bridge's NVOCC cargoes in RFA Exhibits 2 – 50 at the rates and charges provided in Maersk contracts Nos. 460860 and 518178.
43. Our research of SERVCON disclosed the existence of at least two service contracts between Maersk Line and Respondent which would otherwise have been applicable to the shipments contained in RFA Exh. 2 – 50.
44. On information and belief, application of the rates in the service contracts between Maersk and Oceanic Bridge would have produced higher charges than those assessed by Maersk under contracts Nos. 460860 and 518178.
45. Based on the information collected in our investigation, it is my conclusion that with respect to at least the 49 shipments identified in RFA Exh. 1 – 50, Respondent knowingly and willfully, by the unlawful means of accessing service contracts to which it was not a party or otherwise named, obtained ocean transportation for property at rates and charges less than would otherwise be applicable in violation of section 10(a)(1) of the Shipping Act.
46. On information and belief, the 49 shipments presented herein are fairly representative of the full list of 217 shipments originally presented to Oceanic Bridge, all of which were similar in terms of the identity of parties, the time period, and origins and destinations. Due to these common threads running through all of the shipments on that list, it appears that the shipments discussed herein are representative of a larger number of violations on the part of Oceanic Bridge.
47. Commission records indicate that Respondent was the subject of a prior enforcement action in 1999 based on allegations of commodity misdescriptions on shipments transported under a service contract. The matter was resolved through the Commission's informal compromise procedures in which Respondent executed a compromise agreement and paid a civil penalty as reflected in the Commission's press release NR 00-06, issued March 23, 2000.

48. During the time period covering the shipments in issue, Respondent's OTI bond no. 50511 was and remained in effect.

I certify, under penalty of perjury, that the foregoing is true and correct.



Nash D. Asandas

JUNE 02, 2014

Dated

FEDERAL MARITIME COMMISSION

DOCKET NO. 14 - 02

**OCEANIC BRIDGE INTERNATIONAL, INC. –
POSSIBLE VIOLATIONS OF SECTIONS 10(a)(1)
OF THE SHIPPING ACT OF 1984**

**VERIFIED STATEMENT OF
MICHAEL F. CARLEY**

1. My name is Michael F. Carley. I am the Director of Field Investigations (DFI) for the Federal Maritime Commission (Commission) in the Office of the Managing Director. I have held this position since 2010, and have served in an investigative capacity for the Commission since 1978.
2. My duties include opening cases for investigation of possible violations and initial assignment of the investigation to the Commission's Area Representatives (ARs) located at the Commission's various field offices. As an investigation progresses, I have a supervisory role over the matter which includes consultations with the investigating AR during the course of an investigation, providing support as requested, and review enforcement reports submitted by the ARs prior to submission to the Bureau of Enforcement for enforcement action. I also continue to serve in an investigative capacity as the Commission's Headquarters representative. I am familiar with the shipping statutes administered by the Commission, its regulations, and shipping industry practices as they relate to the requirements of the laws enforced by the Commission.
3. I am familiar with the investigation of Oceanic Bridge International, Inc. (Oceanic Bridge or Respondent) conducted by ARs Clark and Asandas. I was advised of the progress of the investigation as it was conducted and reviewed the enforcement report submitted by the ARs including the documentation collected during the investigation and submitted with the report.
4. Following the investigative findings of the ARs that Respondent improperly accessed Maersk Line's service contracts to which it was not a party, I undertook to determine the applicable rates and charges on the shipments transported by Maersk and whether Respondent obtained a rate benefit by improperly accessing the Maersk/Dalian Haiqiao contracts. I am therefore familiar with the facts stated herein and could and would testify to such facts at an oral hearing on this matter.

5. My testimony addresses the shipments contained and identified in Exhibits 1 – 50 appended to BOE's Request For Admission Directed to Oceanic Bridge (RFA) which are being filed in this proceeding and which I incorporate into my statement by reference. Based on my review, each master bill in RFA Exhibits 2 – 46 references Maersk service contract no. 460860 and identifies the shipper as Dalian Haiqiao Enterprises Co., Ltd. and the consignee as Respondent Oceanic Bridge. The ocean freight charges as reflected on the Maersk arrival notice/invoices for the shipments identified in RFA Exhibits 2 – 46 coincide with the rates in service contract no. 460860. Notwithstanding, the underlying NVOCC documentation in RFA Exhibits 2 – 46 demonstrates that the shipped cargo constitutes the NVOCC cargo of Oceanic Bridge and its shipper customers.
6. In turn, each master bill in RFA Exhibits 47 - 50 references Maersk service contract no. 518178 and identifies the shipper as Dalian Haiqiao Enterprises Co., Ltd. and the consignee as Respondent Oceanic Bridge. The ocean freight charges as reflected on the Maersk arrival notice/invoices for the shipments identified in Exhibits 47 – 50 coincide with the rates in service contract no. 518178. Notwithstanding, the underlying NVOCC documentation in RFA Exhibits 47 - 50 demonstrates that the shipped cargo constitutes the NVOCC cargo of Oceanic Bridge and its shipper customers.
7. My review of the Commission's service contract database, SERVCON, disclosed that Oceanic Bridge, in its capacity as a NVOCC, executed and maintained its own service contracts with Maersk that contained applicable rates and charges for shipments within the relevant time period, viz., Maersk contract no. 429377, effective May 1, 2010, through April 30, 2011, and Maersk contract no. 518197, effective May 5, 2011, through April 30, 2012. Both contracts were filed with the Commission and are in the SERVCON database.
8. I analyzed the shipping documents to verify that the rates and charges in the contracts applied to the commodity transported, at the time of shipment, and between the origin and destination port pairs. My shipment-by-shipment analysis is attached hereto as Appendix A.
9. Appendix A identifies each shipment by the Maersk master bill of lading number. The commodity identified on the Maersk master bill is in the column titled "Commodity", and in each case, matches the commodity description on each underlying house bill of lading issued by Oceanic Bridge. The column identified as "Ocean Freight Charged" states the ocean freight charges assessed by Maersk under the service contracts with Dalian Haiqiao. The column identified as "Applicable S/C Charges" reflects the charges prescribed by the service contracts signed by Oceanic Bridge, as referenced above. The column titled "Rate Benefit" shows the amount by which the applicable charges exceed the charges billed and paid.
10. Based on my analysis, the rates and charges prescribed by the applicable service contracts are \$11,168 higher than those charged to and paid on behalf of Oceanic Bridge on the shipments identified in RFA Exhibits 1 – 50. Consequently, Respondent received a rate benefit to that extent on the subject shipments.

I certify, under penalty of perjury, that the foregoing is true and correct.

Michael F. Carley
Michael F. Carley

MAY 30, 2014
Date

ATTACHMENT A

OCEANIC BRIDGE INTERNATIONAL, INC.

RE-RATE SCHEDULE OF SHIPMENTS

MAERSK B/L NO.	DATE OF B/L	Commodity	Ocean		Rate Benefit
			Freight Charged	Applicable S/C Charges	
MAEU582502041	12/8/2010	Hardware	2,140	2,640	500
MAEU565537233	12/16/2010	Hardware	2,140	2,640	500
MAEU565537224	12/18/2010	Carpets/Curtain	2,140	2,440	300
MAEU565537214	12/18/2010	Green Tea Extract	1,632	1,875	243
MAEU565537250	12/21/2010	Hardware	2,140	2,440	300
MAEU559651196	1/2/2011	Perfume	2,140	2,440	300
MAEU565537439	1/13/2011	Hardware	2,380	2,440	60
MAEU565537458	1/14/2011	Cookware	2,380	2,440	60
MAEU565537623	1/25/2011	Valves	2,200	2,560	360
MAEU565537537	1/27/2011	Hardware	2,380	2,440	60
MAEU565537697	1/27/2011	Hardware	2,380	2,440	60
MAEU565537823	2/1/2011	Mirror Frame	1,220	1,420	200
MAEU565537784	2/1/2011	Fuel pump/strainer	1,700	1,900*	200
MAEU565539557	2/9/2011	Hardware	2,380	2,440	60
MAEU562828434	3/3/2011	Kitchenware	8,300	8,360*	60
MAEU565537948	3/7/2011	Cardboard box	2,800	2,900*	100
MAEU565538053	3/16/2011	Valves	2,400	2,505*	105
MAEU562828534	3/17/2011	Coffee Maker	2,600	2,650*	50
MAEU565538059	3/20/2011	Cookware	2,700	2,750*	50
MAEU565538058	3/20/2011	Cookware	2,700	2,920*	220
MAEU565538101	3/20/2011	Polyester Blanket	2,700	2,920*	220
MAEU565538170	3/22/2011	PVC Ceiling	1,000	1,105*	105
MAEU565574462	3/24/2011	Plastic Tableware	5,200	5,640*	440
MAEU565538169	3/24/2011	Ferrite Magnite	2,063	2,220*	157
MAEU565538153	3/24/2011	Scooter	2,063	2,220*	157

MAEU565538171	3/30/2011	Furniture	2,600	2,820*	220
MAEU565538154	3/30/2011	Cardboard box	2,700	2,920*	220
MAEU562828474	4/1/2011	Espresso maker	2,700	2,720*	20
MAEU565574537	4/2/2011	Perfume	2,700	2,990*	290
MAEU565541295	4/2/2011	Cookware	2,700	2,990*	290
MAEU565541296	4/2/2011	Cookware	3,120	3,450*	330
MAEU565541378	4/6/2011	Valves	2,000	2,530*	530
MAEU565539156	4/6/2011	TV Bracket	2,600	2,890*	290
MAEU565541396	4/6/2011	Filter cloth	3,120	3,450*	330
MAEU565574564	4/7/2011	Camping lantern	2,700	2,990*	290
MAEU565541526	4/16/2011	Bathmat set	3,120	3,450*	330
MAEU565541544	4/16/2011	Blanket	2,700	2,990*	290
MAEU553849917	4/18/2011	Piggy bank	2,700	2,990*	290
MAEU565541593	4/19/2011	Hanger	2,700	2,990*	290
MAEU565541537	4/19/2011	Safe	2,600	2,890*	290
MAEU565541563	4/19/2011	Compressor	2,063	2,275*	212
MAEU565541706	4/30/2011	Cookware	2,063	2,275*	212
MAEU565574836	4/30/2011	Backpack	2,600	2,890*	290
MAEU565541756	4/30/2011	Cookware	2,700	2,990*	290
MAEU565574868	5/7/2011	Cooler bag	2,063	2,515*	452
MAEU565574803	5/13/2011	Cosmetics	1,090	1,290	200
MAEU565574996	5/17/2011	Cosmetics display	1,090	1,290	200
MAEU562164516	5/19/2011	Cardboard box	2,310	2,410	100
MAEU562164647	5/26/2011	Hardware	1,805	1,850	<u>45</u>
					11,168

* Amount includes base rate plus Bunker Adjustment Factor (BAF). On these shipments, Maersk's original bill did not separately assess the BAF.

FEDERAL MARITIME COMMISSION

DOCKET NO. 14 - 02

**OCEANIC BRIDGE INTERNATIONAL, INC. –
POSSIBLE VIOLATIONS OF SECTIONS 10(a)(1)
OF THE SHIPPING ACT OF 1984**

**BUREAU OF ENFORCEMENT'S
FIRST REQUESTS FOR ADMISSION
DIRECTED TO OCEANIC BRIDGE INTERNATIONAL, INC.**

The Bureau of Enforcement (BOE) hereby requests that Oceanic Bridge International, Inc., answer separately and fully, in writing, the Requests for Admission set forth below within thirty (30) days of service hereof and in accordance with Rule 207 of the Federal Maritime Commission's rules of Practice and Procedures, 46 C.F.R. § 502.207. All responses should be submitted to the attorney at the address shown at the conclusion of the Requests.

The matter set forth in each request for admission below will be admitted within thirty (30) days of service unless the Respondent serves written answers or objections addressed to the matter set forth in each request. An answer shall admit or deny specifically the matter, or set forth in detail the reasons why the Respondent cannot truthfully admit or deny the matter. A denial shall meet fairly the substance of the requested admission, and when good faith requires that Respondent qualify the answer or deny only a part of the matter of which an admission is requested, the Respondent shall specify so much of it as is true and qualify or deny the remainder.

Respondent may not give lack of information or knowledge as a reason for failure to admit or deny unless the Respondent states that reasonable inquiry has been made and that the information known or readily obtainable is insufficient to enable the Respondent to admit or deny. A Respondent who considers that a matter of which an admission has been requested presents a genuine issue for trial may not on that ground alone object to the request.

Failure to respond to any Request shall be treated the same as a matter admitted. A matter admitted is conclusively established for the purposes of this proceeding.

I. DEFINITIONS

For all purposes of these Requests for Admission,

1. The terms "Commission" or "FMC" mean the Federal Maritime Commission.
2. The term "Order of Investigation and Hearing" means the Order of Investigation and Hearing served by the Commission in this proceeding on February 21, 2014.
3. The term "Shipping Act" means the Shipping Act of 1984, as amended, 46 U.S.C. § 40101, et seq.
4. The term "Respondent" or "Oceanic Bridge" means Oceanic Bridge International, Inc.
5. The term "ocean transportation intermediary" shall have the meaning ascribed to such term in section 3(17) of the Shipping Act, 46 U.S.C. § 40102(19) and in the Code of Federal Regulations, 46 C.F.R. §515.2(o).
6. The term "non-vessel-operating common carrier", sometimes abbreviated as NVOCC, shall have the meaning ascribed to such term in section 3(17)(B) of the Shipping Act, 46 U.S.C. § 40102(16) and in the Code of Federal Regulations, 46 C.F.R. §515.2(o)(2).
7. The term "ocean common carrier" or "ocean carrier" shall have the meaning ascribed to

such term in section 3(16) of the Shipping Act, 46 U.S.C. § 40102(17) and in the Code of Federal Regulations, 46 C.F.R. §515.2(m).

8. The term "service contract" shall have the meaning ascribed to such term in section 3(19) of the Shipping Act, 46 U.S.C. § 40102(20) and in the Code of Federal Regulations, 46 C.F.R. §530.3(q).
9. The term "shipment" shall have the meaning ascribed to such term in section 3(20) of the Shipping Act, 46 U.S.C. § 40102(21).
10. The term "shipper" shall have the meaning ascribed to such term in section 3(21) of the Shipping Act, 46 U.S.C. § 40102(22), and in the Code of Federal Regulations, 46 C.F.R. §530.3(r).
11. The term "Exhibit No." or "Exh. No." refers to the number of each exhibit attached hereto.
12. The term "Bates No(s)." refers to the number preceded by the letters "BOE" and appearing in the lower right side of each page of the documents contained in the exhibits attached hereto.

II. REQUESTS FOR ADMISSION

1. Oceanic Bridge operated as a licensed and bonded NVOCC prior to March 26, 2013.
2. Oceanic Bridge voluntarily surrendered its FMC license on or about March 26, 2013.
3. Oceanic Bridge held itself out as a NVOCC pursuant to its automated tariff number 013355-002, published by Distribution Publications, Inc.
4. Oceanic Bridge's tariff was cancelled effective April 25, 2013.
5. Oceanic Bridge maintained a NVOCC bond No. 50511 in the amount of \$75,000 issued by Great American Alliance Insurance Company, Elk Grove Village, Illinois, as surety.

6. Oceanic Bridge's NVOCC bond was cancelled effective September 21, 2013.
7. Oceanic Bridge's bond was in effect during the period of violations which included December 1, 2010 through and including May 31, 2011.
8. Oceanic Bridge held out through its website, www.oceanicbridge.com, to provide NVOCC services "through a dedicated network of offices strategically located in major China and U.S. ports."
9. Between at least December 1, 2010 and May 31, 2011, Oceanic Bridge's network of offices in the People's Republic of China (PRC) operated under the name Dalian Oceanic Bridge International Forwarding Co. Ltd. with locations in Dalian, Tianjin, Qingdao, Shanghai, Ningbo, Xiamen, and Shenzhen.
10. The 49 bill of lading numbers identified in Exhibit No. 1 hereto under the column titled "Maersk B/L No." identify certain ocean bills of lading issued by Maersk Line (Maersk) to Oceanic Bridge for shipments tendered to Maersk by or on behalf of Oceanic Bridge.
11. The 49 bill of lading numbers identified in Exh. No. 1 hereto under the column titled "Oceanic B/L" identify certain house bills of lading issued by or on behalf of Oceanic Bridge to its customers for the corresponding shipments transported by Maersk under the bills of lading described in Request for Admission 10 above.
12. In each of the shipments identified in Exh. No. 1 hereto, Oceanic Bridge provided services as a licensed, bonded, and tariffed NVOCC.
13. The documents attached hereto in Exh. Nos. 2 – 50 are true copies of documents contained in Oceanic Bridge's shipment files for each of the 49 shipments identified in Exh. No. 1.
14. The shipments identified in Exh. Nos. 1 – 50 are the same shipments identified in and

subject to the Commission's Order of Investigation.

15. The shipments identified in Exh. Nos. 1 – 50 were transported by Maersk pursuant to its service contract number 460860.
16. Maersk service contract number 460860 was executed by Maersk as carrier and Dalian Haiqiao Enterprises Co., Ltd. (Dalian Haiqiao) as shipper..
17. Dalian Haiqiao, located at 23 Dongdu Road, Ningbo 33, China, was the sole shipper party named in service contract number 460860.
18. Dalian Haiqiao represented itself as the owner of the cargo tendered for transportation under service contract number 460860.
19. Oceanic Bridge was not a signatory to, or named in, service contract number 460860.
20. In each of the shipments identified in Exh. Nos. 1 – 50, Oceanic Bridge or its agent represented to Maersk that the shipper was Dalian Haiqiao.
21. In each of the shipments identified in Exh. Nos. 1 - 50, Oceanic Bridge knew or had reason to know that Dalian Haiqiao was the only person entitled to transport services under Maersk service contract number 460860.
22. In each of the shipments identified in Exh. Nos. 1 - 50, Oceanic Bridge knew or had reason to know that the cargo was tendered to Maersk for transportation at the rates and charges provided in service contract number 460860.
23. In each of the shipments identified in Exh. Nos. 1 - 50, Oceanic Bridge knew or had reason to know that Dalian Haiqiao had no ownership or other interest in the cargo tendered to Maersk by or on behalf of Oceanic Bridge.
24. In each of the shipments identified in Exh. Nos. 1 – 50, Oceanic Bridge's house bills identified the shippers and consignees of the shipments tendered to Maersk for ocean

transport.

25. None of Oceanic Bridge's house bills for the shipments identified in Exh. Nos. 1 - 50 identify Dalian Haiqiao as a shipper, consignee, or in any other capacity on the shipment.
26. In each of the shipments identified in Exh. Nos. 1 - 50, Oceanic Bridge knew or had reason to know that the cargo tendered to Maersk by or on behalf of Oceanic Bridge constituted the NVOCC cargoes of Oceanic Bridge and its shipper customers.
27. In each of the shipments identified in Exh. Nos. 1 - 50, Maersk assessed Oceanic Bridge the rates and charges stated on Maersk's arrival notices as shown in Exh. Nos. 2 - 50.
28. In each of the shipments identified in Exh. Nos. 1 - 50, the rates and charges were assessed by Maersk in accordance with its service contract number 460860.
29. In each of the shipments identified in Exh. Nos. 1 - 50, Maersk received payments from or on behalf of Oceanic Bridge for the amounts invoiced.
30. In its capacity as a NVOCC, Oceanic Bridge entered into service contract numbers 429377 and 518197 with Maersk.
31. Maersk service contract number 429377 contained rates and charges that were applicable to shipments identified in Exh. Nos. 2 - 45 that were tendered for transportation during the effectiveness of that contract.
32. Maersk service contract number 518197 contained rates and charges that were applicable to shipments identified in Exh. No. 46 - 50 that were tendered for transportation during the effectiveness of that contract.
33. Application of the rates and charges in service contract numbers 429377 and 518197 to shipments identified in Exh. Nos. 2 - 50 results in rates and charges higher than those

assessed by Maersk under contract number 460860.

34. In each of the shipments identified in Exh. Nos. 1 - 50, Oceanic Bridge knowingly and willfully obtained or attempted to obtain ocean transportation at less than the rates and charges that would otherwise be applicable by accessing the rates and charges provided under service contract number 460860.
35. Since at least May 1, 1999 when it obtained its FMC license, Oceanic Bridge was aware of the requirements of the Shipping Act.
36. Oceanic Bridge was aware that its conduct in accessing service contracts to which it was not a signatory violated the Shipping Act.
37. Oceanic Bridge filed a certificate of dissolution with the Secretary of State for California on or about December 24, 2012.
38. All of the services provided by Oceanic Bridge with respect to the 49 shipments identified in Exh. Nos. 1 - 50 were performed prior to its dissolution.
39. By unlawfully accessing Maersk's service contract number 460860 to obtain rates and charges for ocean transportation lower than it would have been otherwise entitled, Oceanic Bridge obtained a competitive advantage over its competing NVOCCs and shippers to their detriment and harm.
40. By unlawfully accessing Maersk's service contract number 460860, Oceanic Bridge caused harm to Maersk by depriving it of higher revenues to which it was entitled under its otherwise applicable contracts with Oceanic Bridge.
41. By falsely representing to Maersk that Dalian Haiqiao was the shipper on the subject shipments, Oceanic Bridge exposed Dalian Haiqiao to liability for the payment of Maersk's freight charges.

42. By unlawfully accessing Maersk's service contract number 460860, Oceanic Bridge exposed the NVOCC customers of Oceanic Bridge to the risk that their cargo could be seized, detained for inspection, subjected to inspection or other fees, demurrage, additional or increased freight costs, penalties, or other charges.
43. Ray Tang is the current lawful agent of Oceanic Bridge to accept service.
44. Ray Tang has represented to the Commission that he is the current lawful agent of Oceanic Bridge for purposes of this proceeding.
45. Ray Tang received the Commission's Order of Investigation and Hearing on or before February 26, 2014.

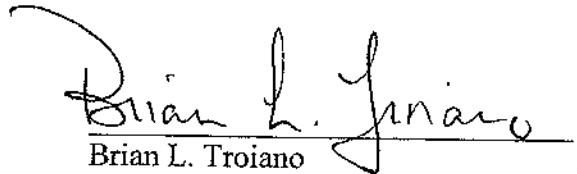
Respectfully submitted,



Peter J. King, Director
Brian L. Troiano, Deputy Director
Bureau of Enforcement
Federal Maritime Commission
800 North Capitol St., N.W.
Washington D.C. 20573-0001
(202) 523-5783

CERTIFICATE OF SERVICE

I hereby certify that the Bureau of Enforcement's First Requests For Admission Directed to Oceanic Bridge International, Inc. was served upon Oceanic Bridge International, Inc., 18725 E. Gale Ave., #233, City of Industry, CA 91748, by delivering the aforementioned document to United Parcel Service this 14th day of March, 2014, for next business day delivery.


Brian L. Troiano